## REMARKS

Entry of this Amendment and reconsideration are respectfully requested in view of the amendments made to the claims and for the remarks made herein.

Claims 1-7 are pending and stand rejected. Claims 1-7 have been amended.

The Specification is objected to for failing to contain headings of the suggested layout of the specification of a utility application.

Applicant respectfully disagrees with, and explicitly traverses, the objection to the Specification. With regard to the lack of section headings in the written description, applicant respectfully submits that 37 CFR §1.77(b) discloses a *suggested* format for the arrangement of the disclosure and that the present disclosure follows the suggested format where applicable. Furthermore 37 CFR §1.77(c) clearly states the sections defined in paragraphs (b) (1) through (b) (11) "should" be preceded by a section heading. Hence, the section headings are suggested and not required.

For at least this reason, applicant respectfully declines to amend the disclosure to include the suggested headings at this time and requests that the objection be withdrawn.

The drawings are objected to because they fails to show in Figure 1 (for example, number 9, delay) as described in the specification.

Applicant respectfully disagrees that the elements described in the specification are not shown in the drawings. However, an amended Figure 1 is provided, herewith, labeling each of the elements shown therein. No new matter has been added.

For the submission of an amended drawing, applicant believes that the objection to the drawings has been overcome and respectfully requests that the amended drawing be entered in this matter.

Claims 1-3 stand rejected under 35 USC 102(b) as being anticipated by Lowe (USP no. 5.838.800).

Applicant respectfully disagrees with, and explicitly traverses, the reason for rejecting the claims.

The instant invention recites the elements of measuring a signal energy of a composed signal above a known frequency, deriving a signal from the composed signal,

adding the derived signal to the composed signal and deriving left and right signals from the composed signal and the derived signal.

Lowe discloses a system for enhancing the effect of stereo audio signal (left and right signals) by using a composed signal for determining a variable resistance setting, wherein the variable resistance is set to a ratio of 1:2 when the composed signal is below a threshold value. An original signal is then weighted by the variable resistance setting and subtracted from the other one of the signals. Left and right signals are derived from the weighted composed signal and the original signal.

However, Lowe fails to disclose that the comparison performed is based on signal energy above a known frequency. Lowe is silent with limiting the frequency of the signal in the comparison with the threshold value. Furthermore, Lowe fails to disclose deriving a signal from the signal derived from the composed signal that is added to the composed signal. Rather, Lowe discloses applying one weighted original signal to the other original signal and using this composite signal to determine the original signal(s).

It is well recognized that to constitute a rejection pursuant to 35 USC §102, i.e., anticipation, all material elements recited in a claim must be found in one unit of prior art.

Lowe cannot be said to anticipate the present invention, because Lowe fails to disclose each and every element recited in claim 1, for example. For example, Lowe fails to determine a "determine a signal energy above a known frequency."

At least for this reason, applicant submits that the rejection of claim 1 has been overcome and respectfully requests withdrawal of the rejection.

With regard the remaining claim 2, this claim ultimately depends from the independent claim 1 and is allowable by virtue of its dependency from an allowable base claim.

With regard to independent claim 3, this claim recites subject matter similar to that recited in claim 1 and is also allowable for the same arguments made in response to the rejection of claim 1, which are reassert, as if in full, herein.

Claims 4-7 stand rejected under 35 USC 103(a) as being unpatentable over Lowe and well-known designer's needs as expressed by the Examiner.

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Applicant respectfully disagrees with, and expressly traverses, the reason for rejecting the claims.

As shown above, Lowe fails to disclose a material element recited in the claims. The use of well-known existing design technology is cited for disclosing that the frequencies selected are a design choice. However, the design technology fails to provide any teaching to correct the deficiency found to exist in the teachings of Lowe.

A claimed invention is prima facie obvious when three basic criteria are met. First, there must be some suggestion or motivation, either in the reference themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine the teachings therein. Second, there must be a reasonable expectation of success. And, third, the prior art reference or combined references must teach or suggest all the claim limitations.

Hence, even if the teachings of Kondoh were modified as suggested by the Office, the combination would not include all the features recited in the independent claims and, consequently, any of the dependent claims.

For at least this reason applicant submits that the rejection has been overcome and respectfully requests withdrawal of the rejection.

For all the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested.

Respectfully submitted,

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